

**TOWN OF PRESCOTT VALLEY  
REQUEST FOR COUNCIL ACTION  
Date: May 14, 2015**

**SUBJECT:** Annual Chip Seal Maintenance Program

**SUBMITTING DEPARTMENT:** Public Works

**PREPARED BY:** Alex Romero, Public Works Operations Manager, for  
Norm Davis, PE, Public Works Director

**AGENDA LOCATION:** Comments/Communications , Consent , Work/Study ,  
New Business , Public Hearing , Second Reading

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**ATTACHMENTS:** a) Contract

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**SUMMARY BACKGROUND:** The Public Works Department budgets yearly for Highway Users Revenue Funds (HURF) received from gas tax dollars to maintain the Town of Prescott Valley Streets. Chip seal application is one of the maintenance treatments used to maintain the life cycle of paved streets. Per specification, chip seal application workmanship and performance is best applied between the summer dates of June 1<sup>st</sup> to August 31<sup>st</sup>.

The proposed FY 15/16 Public Works budget has \$1,000,000.00 for the chip seal maintenance program. Bids were received April 27, 2015 and were favorable for Staff's recommendation to award this bid to Earth Resources. Contract specifications require work to start after July 1<sup>st</sup> to take best advantage of summer season and all work is to be complete by August 15<sup>th</sup>.

The Public Works Department prepared specifications and secured bid proposals for this project with the following results:

**Table 1**

Rank	Bidder	Totals
1st	Earth Resources Corporation	\$1,024,598.08
2nd	Cholla Pavement Maintenance	\$1,099,034.38
3rd	Graham Contractors, Inc.	\$1,135,266.05
4th	VSS International	\$1,147,000.00
5th	Southern AZ, Paving & Const.	\$1,303,265.40

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**OPTIONS ANALYSIS:** The Council may choose to:

- a.) Award the 2015/2016 contract to lowest responsive bidder for base bid schedules A & B for the total bid amount of \$1,024,598.08 to Earth Resources Corporation, **OR**
- b.) Do not award the contract

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**ACTION OPTION:** Motion to award the construction contract for the Fiscal Year 2015/2016 annual Chip Seal program to Earth Resources Corporation in the total bid amount of up to **\$1,024,598.08, OR** Motion to reject all bids. **VOTE.**

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**RECOMMENDATION:** Staff recommends awarding the entire construction contract to low bidder, Earth Resources Corporation in the bid amount of \$1,024,598.08

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**FISCAL ANALYSIS:** The proposed budget for FY 15/16 is shown in tables 2 below:

**Table 2**

2015/2016 Chip Seal Maintenance Program		HURF
HTE Code: 202-5510-631.43-71		Finance Proj. # N/A
<b>FISCAL YEAR 2015/2016</b>	Adjusted Budget Amount: \$1,000,000.00 Expended & Encumbered: \$0.00 Construction Contract: <u>(\$1,024,598.08)</u> this action Balance: <u>(\$24,598.08)</u>	<b>FISCAL YEAR 2015/2016</b>

Additional funds will be available in the Street Maintenance budget (202-5510-631.43-70) to cover the difference.

**REVIEWED BY:**

Management Services Director \_\_\_\_\_

Town Clerk \_\_\_\_\_

Town Attorney \_\_\_\_\_

Town Manager \_\_\_\_\_

**COUNCIL ACTION:**

Approved    Denied    Tabled/Deferred    Assigned to \_\_\_\_\_